LINDA LINGLE

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## STATE OF HAWAII PUBLIC UTILITIES COMMISSION DEPARTMENT OF BUDGET AND FINANCE

465 S. KING STREET, #103 HONOLULU, HAWAII 96813 CARLITO P. CALIBOSO CHAIRMAN

> JOHN E. COLE COMMISSIONER

LESLIE H KONDO COMMISSIONER

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October 12, 2009

Dean Matsuura Manager – Regulatory Affairs Hawaiian Electric Company, Inc. P. O. Box 2750 Honolulu, Hawaii 96840-0001

Catherine Awakuni
Executive Director
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Department of Commerce and Consumer Affairs
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Dr. Kay Davoodi NAVFAC HQ ACQ-URASO 1322 Patterson Avenue, SE Suite 1000 Washington Navy Yard Washington, D.C. 20374-5065

and P. Cohen

Re: Docket No. 2008-0083, Application of Hawaiian Electric Company, Inc. for Approval of Rate Increases and Revised Rate Schedules and Rules

Dear Parties:

As stated in the Commission's letter of September 28, 2009, enclosed, please find the issues that will be included in the panel evidentiary hearing beginning October 26, 2009.

Should have any questions, please feel free to contact us.

Sincerely,

Carlito P. Caliboso

Chairman

CPC:ac

**Enclosure** 

# Application of Hawaiian Electric Company, Inc. Docket No. 2008-0083

#### For Approval of Rate Increases And Revised Rate Schedules and Rules

#### ISSUES TO BE INCLUDED IN PANEL EVIDENTIARY HEARING

- I. Parties' Disputed Issues
  - A. Informational advertising
  - B. Return on common equity
- II. HCEI Related Costs Excluded From Interim Rates
  - A. Sales Decoupling
  - B. HCEI-Related Positions
  - C. HCEI-Related Outside Services
- III. Other Costs Excluded from Interim Rates
  - A. Campbell Industrial Park Combustion Turbine Unit ("CT-1") In-Service Date and AFUDC Treatment
  - B. Employee Electricity Rate Discount
  - C. Merit Employee Wage Increases
  - D. Commodity Prices

#### IV. Additional Issues

- A. Employee Count
- B. Purchased Power Adjustment Clause
- C. Cost Overruns on CIP Projects
- D. ECAC
- E. IRP/DSM Costs
- F. Rate Design
- G. Non-Merit Employee Wage Increases
- H. Management Audit

- I. Significant Expense Increases (limited)
  - 1. Medical Insurance (HECO-ST-13)
  - 2. Outside Services (HECO-ST-11)

### V. Settlement Agreement

- A. ADIT Adjustments-Book Depreciation
- B. Other Operating Revenues (Why diminished in comparison with amount in HECO FERC 1 Form)
- C. AMI R&D Consulting (Appropriateness given delay in AMI docket)
- D. Fuel Expense for CT-1 (Should amount be updated or corrected given status of fuel contract?)
- E. Effect on projected expenses of HECO corporate efficiency and cost reduction measures (reduced training, no overtime, reduced vehicle maintenance, etc.)